



**OIL SPILL RESPONSE,
PREVENTION,
AND ADMINISTRATION FEES
REGULATIONS**

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OIL SPILL RESPONSE, PREVENTION, AND
ADMINISTRATION FEES REGULATIONS

CALIFORNIA CODE OF REGULATIONS
TITLE 18. Public Revenues
Division 2. State Board of Equalization—Business Taxes
Chapter 4.5. Oil Response Fee

Regulation 2240. PETROLEUM PRODUCTS.

Reference: Section 46021, Revenue and Taxation Code.

(a) “Petroleum products” means a hydrocarbon product that is all of the following:

- (1) a liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute);
- (2) the product of fractionation, distillation, or other refining or processing of crude oil; and
- (3) that is used as, useable as, or may be refined as, a fuel or fuel blendstock.

(b) Petroleum products includes, but is not limited to, the following hydrocarbon products:

- (1) alcohol fuels containing petroleum products,
- (2) aviation fuel,
- (3) benzene and benzene hydrocarbon liquids,
- (4) bunker fuel,
- (5) crude hydrocarbon feedstock (containing butyraldehydes and ethylpropyl acrolein),
- (6) diesel fuel,
- (7) gasoline and gasoline feedstocks,
- (8) jet fuel,
- (9) methyltertiarybutylether (MTBE) produced from crude oil feedstocks,
- (10) naphtha,
- (11) oil (including base oil, sump, oil sludge, oil refuse, and oil mixed with waste)
- (12) toluene, and
- (13) transmix.

(c) Petroleum products does not include:

- (1) Any hydrocarbon product that is not a liquid at standard temperature and pressure (for example asphalt, coke, liquid petroleum gas, solid greases and wax),
- (2) Ammonia, and
- (3) MTBE and other substances that are produced from non-crude oil derived feedstocks. MTBE will be considered a petroleum product produced from crude oil derived feedstocks and therefore subject to the fee unless the manufacturer or other party who has held title or possession to the MTBE has provided acceptable documentation to the fee payer, which documentation the fee payer has made available for inspection to the board, which indicates that the source of the

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feedstocks used to produce the MTBE was non-crude oil derived feedstocks. Acceptable documentation includes, but is not limited to, certifications, written statements, invoices, product descriptions, or any other representation which shows that the composition of the feedstocks used in manufacturing was non-crude oil derived and which documentation was provided to any person prior to the delivery of the product at any marine or other terminal.

History: Adopted March 28, 2001, effective July 6, 2001.

Regulation 2241. BARREL OF CRUDE OIL.

Reference: Sections 46008 and 46010, Revenue and Taxation Code.
Sections 8670.40 and 8670.48, Government Code.

“Barrel of crude oil” means 42 United States gallons of crude oil in its unrefined or natural state, including condensate and natural gasoline, at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), and excluding such sediment and water which are present in the crude oil as the result of the production process.

History: Adopted March 28, 2001, effective July 6, 2001.

Regulation 2242. BARREL OF PETROLEUM PRODUCTS.

Reference: Section 46008, Revenue and Taxation Code.
Sections 8670.40 and 8670.48, Government Code.

“Barrel of petroleum products” means 42 United States gallons of petroleum product at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute) and excluding such sediment and water which are present in the petroleum products.

History: Adopted March 28, 2001, effective July 6, 2001.

Regulation 2250. RELIEF OF LIABILITY.

Reference: Section 46158, Revenue and Taxation Code.

A person may be relieved from the liability for the payment of the oil spill response fee and/or the oil spill prevention and administration fee including any penalties and interest added to those fees, when that liability resulted from the failure to make a timely return or a payment and such failure was found by the board to be due to reasonable reliance on written advice given by the board as described in [California Code of Regulations, Title 18, Section 4902](#).

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History: Adopted March 28, 2001, effective July 6, 2001.

Amended February 5, 2003, effective May 28, 2003. The underscored citation indicates an electronic hyperlink to the cite. Common administrative provisions for special taxes programs have been consolidated in Chapter 9.9 Special Taxes Administration. Requirements for relief from liability can be found at the referenced cite.

Regulation 2255. RECORDS.

Reference: Sections 46602 and 46603, Revenue and Taxation Code.

(a) GENERAL. A feepayer shall maintain and make available for examination on request by the board or its authorized representatives, records in the manner set forth at [California Code of Regulations, Title 18, Section 4901](#).

(b) SPECIFIC APPLICATIONS. In addition to the record keeping requirements set forth in subdivision (a), feepayers shall comply with the following requirements.

In general, a person who is liable for payment of the oil spill response fee and/or the oil spill prevention and administration fee, would be expected to maintain some or all of the following records, as applicable:

(1) Books of account pertaining to crude oil (including condensate and natural gasoline) and petroleum products received at a marine terminal (including third-party terminals) or transported by pipeline across, under or through the marine waters of this state.

(2) Shipping and discharge records.

(3) Records evidencing ownership at the landside flange of crude oil or petroleum products received at marine terminals.

(4) Records identifying all marine terminal/shipping dock locations owned or operated within the state.

(5) Records identifying third party locations where crude oil or petroleum products are received and documentation or certification that the third-party terminal operator remitted the fee on the crude oil and petroleum products where applicable.

(6) Third-party independent inspectors reports (e.g. Saybolt and Caleb Brett reports), where available, showing loading in the state of crude oil at marine terminals or discharge in the state of crude oil and other petroleum products at marine terminals/shipping docks.

(7) Refinery records showing the receipt of crude oil used for processing.

(8) Marine terminal records identifying the point of origin of crude oil and petroleum products received.

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(9) Records from production platforms operated in this state accounting for all crude oil and any other product extracted on the platform and their distribution.

(10) Copies of all returns filed with the board and related schedules used to prepare the returns.

History: Adopted March 28, 2001, effective July 6, 2001.

Amended February 5, 2003, effective May 28, 2003. The underscored citation indicates an electronic hyperlink to the cite. Common administrative provisions for special taxes programs have been consolidated in Chapter 9.9 Special Taxes Administration. General recordkeeping requirements can be found at the cite referenced in subdivision (a). Subdivision (b) has been added to identify additional recordkeeping requirements.